
State: District of Columbia **First Filing Company:** American Fire and Casualty Company , ...
TOI/Sub-TOI: 01.0 Property/01.0001 Commercial Property (Fire and Allied Lines)
Product Name: Commercial Property
Project Name/Number: Rate Revision/2019-DC-1-CF-E-R

Filing at a Glance

Companies: American Fire and Casualty Company
The Ohio Casualty Insurance Company
Ohio Security Insurance Company
West American Insurance Company

Product Name: Commercial Property
State: District of Columbia
TOI: 01.0 Property
Sub-TOI: 01.0001 Commercial Property (Fire and Allied Lines)
Filing Type: Rate
Date Submitted: 12/12/2019
SERFF Tr Num: LBRC-132186805
SERFF Status: Submitted to State
State Tr Num:
State Status:
Co Tr Num: 2019-DC-1-CF-E-R

Effective Date 03/01/2020
Requested (New):
Effective Date 03/01/2020
Requested (Renewal):
Author(s): Kathleen Kraus
Reviewer(s):
Disposition Date:
Disposition Status:
Effective Date (New):
Effective Date (Renewal):

State: District of Columbia
TOI/Sub-TOI: 01.0 Property/01.0001 Commercial Property (Fire and Allied Lines)
Product Name: Commercial Property
Project Name/Number: Rate Revision/2019-DC-1-CF-E-R

First Filing Company: American Fire and Casualty Company , ...

General Information

Project Name: Rate Revision
Project Number: 2019-DC-1-CF-E-R
Reference Organization: ISO
Reference Title: District Of Columbia Commercial Fire And Allied Lines Advisory Prospective Loss Cost Revision To Be Implemented
Filing Status Changed: 12/12/2019
State Status Changed:
Created By: Kathleen Kraus
Corresponding Filing Tracking Number:

Status of Filing in Domicile:
Domicile Status Comments:
Reference Number: CF-2019-RLA1
Advisory Org. Circular: LI-CF-2019-063
Deemer Date:
Submitted By: Kathleen Kraus

Filing Description:

We submit this filing for your review to adopt the above referenced bureau change. Also included are proprietary Rate.

We are requesting this filing to be applicable to all policies written on or after 3/1/2020 for new and renewal business.

Please feel free to contact me with any questions or concerns.

Your review and acknowledgement/approval of this submission is appreciated.

Company and Contact

Filing Contact Information

Kathleen Kraus, Product Technician
PO Box 8017
Wausau, WI 54402-8017

kathleen.kraus@libertymutual.com
715-870-6946 [Phone]

State: District of Columbia **First Filing Company:** American Fire and Casualty Company , ...
TOI/Sub-TOI: 01.0 Property/01.0001 Commercial Property (Fire and Allied Lines)
Product Name: Commercial Property
Project Name/Number: Rate Revision/2019-DC-1-CF-E-R

Filing Company Information

American Fire and Casualty Company PO Box 8017 Wausau, WI 54402-8017 (715) 870-6919 ext. [Phone]	CoCode: 24066 Group Code: 111 Group Name: Liberty Mutual Insurance FEIN Number: 59-0141790	State of Domicile: New Hampshire Company Type: Property and Casualty State ID Number:
---	---	---

The Ohio Casualty Insurance Company PO Box 8017 Wausau, WI 54402-8017 (715) 870-6919 ext. [Phone]	CoCode: 24074 Group Code: 111 Group Name: Liberty Mutual Insurance FEIN Number: 31-0396250	State of Domicile: New Hampshire Company Type: Property and Casualty State ID Number:
--	---	---

Ohio Security Insurance Company PO Box 8017 Wausau, WI 54402-8017 (715) 870-6919 ext. [Phone]	CoCode: 24082 Group Code: 111 Group Name: Liberty Mutual Insurance FEIN Number: 31-0541777	State of Domicile: New Hampshire Company Type: Property and Casualty State ID Number:
--	---	---

West American Insurance Company PO Box 8017 Wausau, WI 54402-8017 (715) 870-6919 ext. [Phone]	CoCode: 44393 Group Code: 111 Group Name: Liberty Mutual Insurance FEIN Number: 31-0624491	State of Domicile: Indiana Company Type: Property and Casualty State ID Number:
--	---	---

Filing Fees

Fee Required?	No
Retaliatory?	No
Fee Explanation:	

State:	District of Columbia	First Filing Company:	American Fire and Casualty Company , ...
TOI/Sub-TOI:	01.0 Property/01.0001 Commercial Property (Fire and Allied Lines)		
Product Name:	Commercial Property		
Project Name/Number:	Rate Revision/2019-DC-1-CF-E-R		

Rate Information

Rate data applies to filing.

Filing Method:	File and Use
Rate Change Type:	Increase
Overall Percentage of Last Rate Revision:	6.700%
Effective Date of Last Rate Revision:	03/01/2019
Filing Method of Last Filing:	File and Use
SERFF Tracking Number of Last Filing:	LBRC-131731350

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
American Fire and Casualty Company	15.800%	11.000%	\$2,871	10	\$26,044	%	%
The Ohio Casualty Insurance Company	15.800%	10.300%	\$8,226	20	\$79,766	%	%
Ohio Security Insurance Company	15.800%	9.800%	\$50,020	274	\$508,250	%	%
West American Insurance Company	15.800%	10.700%	\$7,053	28	\$65,894	%	%

State:	District of Columbia	First Filing Company:	American Fire and Casualty Company , ...
TOI/Sub-TOI:	01.0 Property/01.0001 Commercial Property (Fire and Allied Lines)		
Product Name:	Commercial Property		
Project Name/Number:	Rate Revision/2019-DC-1-CF-E-R		

Supporting Document Schedules

Bypassed - Item:	Consulting Authorization
Bypass Reason:	Not Applicable
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Certification (P&C)
Comments:	
Attachment(s):	2019 11 22 - DC CP E - Rate Information.pdf
Item Status:	
Status Date:	

Satisfied - Item:	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)
Comments:	
Attachment(s):	2019 11 22 - DC CP E - Filing Exhibits.pdf
Item Status:	
Status Date:	

Satisfied - Item:	District of Columbia and Countrywide Loss Ratio Analysis (P&C)
Comments:	
Attachment(s):	2019 11 22 - DC CP E - F798-799.pdf
Item Status:	
Status Date:	

RATE INFORMATION**District of Columbia****Commercial Property eCLIQ**Proposed Effective Date
Based on inforce data as of3/1/2020
6/30/2019**Company Rate Information**

Company Name	Overall % Indicated Change		Overall % Rate Impact		Written Premium Change for this Program	# of Policyholders Affected for this Program		Written Premium for this Program
American Fire and Casualty Company	15.8	%	11.0	%	\$ 2,871	10	\$	26,044
Ohio Casualty Insurance Company	15.8	%	10.3	%	\$ 8,226	20	\$	79,766
Ohio Security Insurance Company	15.8	%	9.8	%	\$ 50,020	274	\$	508,250
West American Insurance Company	15.8	%	10.7	%	\$ 7,053	28	\$	65,894

Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing:	15.8	%
Overall Percentage Rate Impact For This Filing:	10.0	%
Effect of Rate Filing - Written Premium Change For This Program:	\$ 68,170	
Effect of Rate Filing - Number of Policyholders Affected:	332	

Liberty Mutual Commercial Insurance
COMMERCIAL PROPERTY RATE INDICATION - DISTRICT OF COLUMBIA
eCLIQ Rate Platform, Monoline & Package Property - BGI, BGII, SCOL
Data evaluated as of 12/31/2018
For Prospective Policy Period 03/01/2020 - 02/28/2021

PROFIT AND EXPENSE PROVISIONS

Annual Statement data for eCLIQ and relevant small commercial companies¹

	2016		2017		2018		3 Year		Selected
	(\$000)	%	(\$000)	%	(\$000)	%	(\$000)	%	
All States Combined									
(1) Written Premium	1,185,322		1,184,150		1,224,933		3,594,405		
(2) Earned Premium	1,193,014		1,186,645		1,204,309		3,583,968		
(3) General	172,567	14.5	151,680	12.8	122,370	10.2	446,617	12.5	12.5%
(4) Other Acquisition	68,234	5.8	58,526	4.9	70,521	5.8	197,281	5.5	5.5%
DISTRICT OF COLUMBIA									
(5) Written Premium	1,058		1,097		1,242		3,397		
(6) Commissions	166	15.7	174	15.9	195	15.7	536	15.8	15.8%
(7) Taxes, Lic. & Fees	83	7.8	43	4.0	37	3.0	163	4.8	4.8%
(8) Total Expense = (3) + (4) + (6) + (7)									38.6%
(9) Reinsurance Cost									3.0%
(10) Underwriting Profit and Contingencies									4.0%
(11) Expense, Profit and Contingencies = (8) + (9) + (10)									45.6%

SELECTED LOSS ADJUSTMENT EXPENSE PROVISION

	2016		2017		2018		3 Year	
	(\$000)	%	(\$000)	%	(\$000)	%	(\$000)	%
All States Combined								
(1) Incurred Loss	580,961		671,003		617,792		1,869,756	
(2) Incurred ALAE	12,491	2.2	10,774	1.6	15,125	2.4	38,390	2.1
(3) Incurred ULAE	68,982	11.9	47,981	7.2	61,700	10.0	178,663	9.6
(4) Paid Loss	536,963		563,673		621,853		1,722,489	
(5) Paid ALAE	23,048	4.3	21,996	3.9	19,818	3.2	64,862	3.8
District of Columbia								
(6) Incurred Loss	786		1,238		1,001		3,026	
(7) Incurred ALAE	41	5.2	94	7.6	9	0.9	144	4.7
(8) Paid Loss	659		940		1,155		2,754	
(9) Paid ALAE	44	6.6	94	10.0	9	0.8	147	5.3

ALAE as % of Loss	4.0%
ULAE as % of Loss	9.6%
Total LAE as % of Loss	13.6%

Notes

¹ Annual Statement data for LOB 1.0, 2.1 and 5.1 for the following underwriting companies: American Economy Insurance Company, America First Lloyd's Insurance Company (TX only), America First Insurance Company, American States Lloyds (5.1 only), American Fire and Casualty Company, American States Insurance Company, American States Preferred (5.1 only), American States of TX (5.1 only), Colorado Casualty Insurance Company, Consolidated Insurance Company, Excelsior Insurance Company, First National Insurance Company of America, General Insurance Company of America, Golden Eagle Insurance Corporation, Hawkeye-Security Insurance Company, Indiana Insurance Company, Mid-American Fire & Casualty Company, Liberty Mutual Mid-Atlantic Insurance Company, Liberty Northwest Insurance Corporation, The Midwestern Indemnity Company, Montgomery Mutual Insurance Company, The Netherlands Insurance Company, North Pacific Insurance Company, The Ohio Casualty Insurance Company, Ohio Security Insurance Company, Oregon Automobile Insurance Company, Peerless Insurance Company, Peerless Indemnity Insurance Company, Safeco Insurance Company of America (5.1 only), Safeco Insurance Company of Illinois (5.1 only), West American Insurance Company.

**DISTRICT OF COLUMBIA
INSURER RATE FILING
ADOPTION OF RATING ORGANIZATION
PROSPECTIVE LOSS COSTS
REFERENCE FILING ADOPTION FORM**

1. INSURER NAME American Fire and Casualty Company
ADDRESS 1001 4th Ave, Suite 2800, Seattle WA 98154
- PERSON RESPONSIBLE FOR FILING Diana Slaughter
TITLE Product Technician II TELEPHONE # 715-870-6290
2. INSURER NAIC # 24066
3. LINE OF INSURANCE Commercial Property
4. RATING ORGANIZATION NAME Insurance Services Office
5. RATING ORGANIZATION REFERENCE FILING # CF-2019-RLA1
6. The above insurer hereby declares that it is a member, subscriber or service purchaser of the named rating organization for this line of insurance. The insurer hereby files to be deemed to have independently submitted as its own filing the prospective loss costs in the captioned Reference Filing.
- The insurer's rates will be the combination of the prospective loss costs and the loss cost multipliers and, if utilized, the expense constants specified in the attachments.
7. PROPOSED RATE LEVEL CHANGE 11.0 % EFFECTIVE DATE 3/1/2020
8. PRIOR RATE LEVEL CHANGE 3.1 % EFFECTIVE DATE 3/1/2019
9. ATTACH "CALCULATION OF COMPANY LOSS COST MULTIPLIER" FORM
(With or without expense constraints as appropriate. Use a separate Form for each insurer-selected loss cost multiplier.)
 "EXPENSE INFORMATION WORKSHEET"
 "DISTRICT OF COLUMBIA INVESTMENT INCOME WORKSHEETS"
 "MOTOR VEHICLE RATE AND RULE FILING CERTIFICATION" and
 "PREMIUM SURVEY FORM" (For Commercial and Personal Auto filings only.)
10. CHECK ONE OF THE FOLLOWING:
- ☐ The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable to future revisions of the rating organization's prospective loss costs for this line of insurance. The rates will apply to policies written on or after the effective date of the rating organization's prospective loss costs. This authorization is effective until disapproved by the Superintendent of Insurance, or amended or withdrawn by the insurer.
- ☒ The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable only to the above Rating Organization Reference Filing.

Insurer Name: American Fire and Casualty Company
NAIC Number: 24066

Date: 11/22/2019

District of Columbia
Calculation of Company Loss Cost Multiplier
Without Expense Constant
To Accompany Adoption of Rating Organization Prospective Loss Costs

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies:

Commercial Property

2. Loss Cost Modification:

- A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing: (CHECK ONE)
☐ without modification (factor = 1.000).
☒ with the following modification factor (Cite the nature and percent modification, supporting data, and the NUMERIC DERIVATION of the modification.):

-15.2%

- B. Loss Cost Modifier Expressed as a Factor:

0.848

3. Development of Expected Loss Ratio (Attach exhibit detailing expense data and/or other supporting information.):

	Selected Provisions %
A. Commission and Brokerage Expense (+)	<u>15.8</u>
B. Other Acquisition Expense (+)	<u>5.5</u>
C. General Expense (+)	<u>12.5</u>
D. Taxes, Licenses, and Fees (+)	<u>4.8</u>
E. Underwriting Profit and Contingencies (+)	<u>4.7</u>
F. Investment Income Offset (-)	<u>0.7</u>
G. Other (explain) (+) Cost of Reinsurance	<u>3.0</u>
H. TOTAL	<u>45.6</u>

4. Expected Loss Ratio (ELR):

- A. ELR (100% - 3H) =

54.4

- B. ELR in decimal form =

0.544

5. Company Calculated Loss Cost Multiplier (2B / 4B):

1.558

6. Company Selected Loss Cost Multiplier:

1.558

(If different than 5 above, then attach supporting documentation, rationale, and the numeric derivation of the Selected Loss Cost Multiplier):

7. Rate Level Change for the Coverage to Which this Form Applies:

- A. Change in Loss Cost Expressed as a Factor =

0.068

- B. Change in Multiplier Expressed as a Factor =

0.039

- C. Overall Rate Change [(7A x 7B) - 1] x 100 =

11.0%

Space Reserved for Insurance
Administrative Use

Date: 11/22/2019

**DISTRICT OF COLUMBIA
INSURER RATE FILING
ADOPTION OF RATING ORGANIZATION
PROSPECTIVE LOSS COSTS
REFERENCE FILING ADOPTION FORM**

1. INSURER NAME The Ohio Casualty Insurance Company
ADDRESS 1001 4th Ave, Suite 2800, Seattle WA 98154
- PERSON RESPONSIBLE FOR FILING Diana Slaughter
TITLE Product Technician II TELEPHONE # 715-870-6290
2. INSURER NAIC # 24074
3. LINE OF INSURANCE Commercial Property
4. RATING ORGANIZATION NAME Insurance Services Office
5. RATING ORGANIZATION REFERENCE FILING # CF-2019-RLA1
6. The above insurer hereby declares that it is a member, subscriber or service purchaser of the named rating organization for this line of insurance. The insurer hereby files to be deemed to have independently submitted as its own filing the prospective loss costs in the captioned Reference Filing.
- The insurer's rates will be the combination of the prospective loss costs and the loss cost multipliers and, if utilized, the expense constants specified in the attachments.
7. PROPOSED RATE LEVEL CHANGE 10.3 % EFFECTIVE DATE 3/1/2020
8. PRIOR RATE LEVEL CHANGE 2.3 % EFFECTIVE DATE 3/1/2019
9. ATTACH "CALCULATION OF COMPANY LOSS COST MULTIPLIER" FORM
(With or without expense constraints as appropriate. Use a separate Form for each insurer-selected loss cost multiplier.)
 "EXPENSE INFORMATION WORKSHEET"
 "DISTRICT OF COLUMBIA INVESTMENT INCOME WORKSHEETS"
 "MOTOR VEHICLE RATE AND RULE FILING CERTIFICATION" and
 "PREMIUM SURVEY FORM" (For Commercial and Personal Auto filings only.)
10. CHECK ONE OF THE FOLLOWING:
- ☐ The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable to future revisions of the rating organization's prospective loss costs for this line of insurance. The rates will apply to policies written on or after the effective date of the rating organization's prospective loss costs. This authorization is effective until disapproved by the Superintendent of Insurance, or amended or withdrawn by the insurer.
- ☒ The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable only to the above Rating Organization Reference Filing.

Insurer Name: The Ohio Casualty Insurance Company
NAIC Number: 24074

Date: 11/22/2019

District of Columbia
Calculation of Company Loss Cost Multiplier
Without Expense Constant
To Accompany Adoption of Rating Organization Prospective Loss Costs

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies:

Commercial Property

2. Loss Cost Modification:

- A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing: (CHECK ONE)
☐ without modification (factor = 1.000).
☒ with the following modification factor (Cite the nature and percent modification, supporting data, and the NUMERIC DERIVATION of the modification.):

38.5%

- B. Loss Cost Modifier Expressed as a Factor:

1.385

3. Development of Expected Loss Ratio (Attach exhibit detailing expense data and/or other supporting information.):

	Selected Provisions %
A. Commission and Brokerage Expense (+)	<u>15.8</u>
B. Other Acquisition Expense (+)	<u>5.5</u>
C. General Expense (+)	<u>12.5</u>
D. Taxes, Licenses, and Fees (+)	<u>4.8</u>
E. Underwriting Profit and Contingencies (+)	<u>4.7</u>
F. Investment Income Offset (-)	<u>0.7</u>
G. Other (explain) (+) Cost of Reinsurance	<u>3.0</u>
H. TOTAL	<u>45.6</u>

4. Expected Loss Ratio (ELR):

- A. ELR (100% - 3H) =

54.4

- B. ELR in decimal form =

0.544

5. Company Calculated Loss Cost Multiplier (2B / 4B):

2.546

6. Company Selected Loss Cost Multiplier:

2.546

(If different than 5 above, then attach supporting documentation, rationale, and the numeric derivation of the Selected Loss Cost Multiplier):

7. Rate Level Change for the Coverage to Which this Form Applies:

- A. Change in Loss Cost Expressed as a Factor =

0.061

- B. Change in Multiplier Expressed as a Factor =

0.040

- C. Overall Rate Change [(7A x 7B) - 1] x 100 =

10.3%

Space Reserved for Insurance
Administrative Use

Date: 11/22/2019

**DISTRICT OF COLUMBIA
INSURER RATE FILING
ADOPTION OF RATING ORGANIZATION
PROSPECTIVE LOSS COSTS
REFERENCE FILING ADOPTION FORM**

1. INSURER NAME Ohio Security Insurance Company
ADDRESS 1001 4th Ave, Suite 2800, Seattle WA 98154
- PERSON RESPONSIBLE FOR FILING Diana Slaughter
TITLE Product Technician II TELEPHONE # 715-870-6290
2. INSURER NAIC # 24082
3. LINE OF INSURANCE Commercial Property
4. RATING ORGANIZATION NAME Insurance Services Office
5. RATING ORGANIZATION REFERENCE FILING # CF-2019-RLA1
6. The above insurer hereby declares that it is a member, subscriber or service purchaser of the named rating organization for this line of insurance. The insurer hereby files to be deemed to have independently submitted as its own filing the prospective loss costs in the captioned Reference Filing.
- The insurer's rates will be the combination of the prospective loss costs and the loss cost multipliers and, if utilized, the expense constants specified in the attachments.
7. PROPOSED RATE LEVEL CHANGE 9.8 % EFFECTIVE DATE 3/1/2020
8. PRIOR RATE LEVEL CHANGE 8.2 % EFFECTIVE DATE 3/1/2019
9. ATTACH "CALCULATION OF COMPANY LOSS COST MULTIPLIER" FORM
(With or without expense constraints as appropriate. Use a separate Form for each insurer-selected loss cost multiplier.)
 "EXPENSE INFORMATION WORKSHEET"
 "DISTRICT OF COLUMBIA INVESTMENT INCOME WORKSHEETS"
 "MOTOR VEHICLE RATE AND RULE FILING CERTIFICATION" and
 "PREMIUM SURVEY FORM" (For Commercial and Personal Auto filings only.)
10. CHECK ONE OF THE FOLLOWING:
- ☐ The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable to future revisions of the rating organization's prospective loss costs for this line of insurance. The rates will apply to policies written on or after the effective date of the rating organization's prospective loss costs. This authorization is effective until disapproved by the Superintendent of Insurance, or amended or withdrawn by the insurer.
- ☒ The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable only to the above Rating Organization Reference Filing.

Insurer Name: Ohio Security Insurance Company
NAIC Number: 24082

Date: 11/22/2019

District of Columbia
Calculation of Company Loss Cost Multiplier
Without Expense Constant
To Accompany Adoption of Rating Organization Prospective Loss Costs

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies:

Commercial Property

2. Loss Cost Modification:

- A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing: (CHECK ONE)
☐ without modification (factor = 1.000).
☒ with the following modification factor (Cite the nature and percent modification, supporting data, and the NUMERIC DERIVATION of the modification.):

8.4%

- B. Loss Cost Modifier Expressed as a Factor:

1.084

3. Development of Expected Loss Ratio (Attach exhibit detailing expense data and/or other supporting information.):

	Selected Provisions %
A. Commission and Brokerage Expense (+)	<u>15.8</u>
B. Other Acquisition Expense (+)	<u>5.5</u>
C. General Expense (+)	<u>12.5</u>
D. Taxes, Licenses, and Fees (+)	<u>4.8</u>
E. Underwriting Profit and Contingencies (+)	<u>4.7</u>
F. Investment Income Offset (-)	<u>0.7</u>
G. Other (explain) (+) Cost of Reinsurance	<u>3.0</u>
H. TOTAL	<u>45.6</u>

4. Expected Loss Ratio (ELR):

- A. ELR (100% - 3H) =

54.4

- B. ELR in decimal form =

0.544

5. Company Calculated Loss Cost Multiplier (2B / 4B):

1.992

6. Company Selected Loss Cost Multiplier:

1.992

(If different than 5 above, then attach supporting documentation, rationale, and the numeric derivation of the Selected Loss Cost Multiplier):

7. Rate Level Change for the Coverage to Which this Form Applies:

- A. Change in Loss Cost Expressed as a Factor =

0.057

- B. Change in Multiplier Expressed as a Factor =

0.039

- C. Overall Rate Change [(7A x 7B) - 1] x 100 =

9.8%

**DISTRICT OF COLUMBIA
INSURER RATE FILING
ADOPTION OF RATING ORGANIZATION
PROSPECTIVE LOSS COSTS
REFERENCE FILING ADOPTION FORM**

1. INSURER NAME West American Insurance Company
ADDRESS 1001 4th Ave, Suite 2800, Seattle WA 98154
- PERSON RESPONSIBLE FOR FILING Diana Slaughter
TITLE Product Technician II TELEPHONE # 715-870-6290
2. INSURER NAIC # 44393
3. LINE OF INSURANCE Commercial Property
4. RATING ORGANIZATION NAME Insurance Services Office
5. RATING ORGANIZATION REFERENCE FILING # CF-2019-RLA1
6. The above insurer hereby declares that it is a member, subscriber or service purchaser of the named rating organization for this line of insurance. The insurer hereby files to be deemed to have independently submitted as its own filing the prospective loss costs in the captioned Reference Filing.
- The insurer's rates will be the combination of the prospective loss costs and the loss cost multipliers and, if utilized, the expense constants specified in the attachments.
7. PROPOSED RATE LEVEL CHANGE 10.7 % EFFECTIVE DATE 3/1/2020
8. PRIOR RATE LEVEL CHANGE 3.1 % EFFECTIVE DATE 3/1/2019
9. ATTACH "CALCULATION OF COMPANY LOSS COST MULTIPLIER" FORM
(With or without expense constraints as appropriate. Use a separate Form for each insurer-selected loss cost multiplier.)
 "EXPENSE INFORMATION WORKSHEET"
 "DISTRICT OF COLUMBIA INVESTMENT INCOME WORKSHEETS"
 "MOTOR VEHICLE RATE AND RULE FILING CERTIFICATION" and
 "PREMIUM SURVEY FORM" (For Commercial and Personal Auto filings only.)
10. CHECK ONE OF THE FOLLOWING:
- ☐ The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable to future revisions of the rating organization's prospective loss costs for this line of insurance. The rates will apply to policies written on or after the effective date of the rating organization's prospective loss costs. This authorization is effective until disapproved by the Superintendent of Insurance, or amended or withdrawn by the insurer.
- ☒ The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable only to the above Rating Organization Reference Filing.

Insurer Name: West American Insurance Company
NAIC Number: 44393

Date: 11/22/2019

District of Columbia
Calculation of Company Loss Cost Multiplier
Without Expense Constant
To Accompany Adoption of Rating Organization Prospective Loss Costs

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies:

Commercial Property

2. Loss Cost Modification:

- A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing: (CHECK ONE)
☐ without modification (factor = 1.000).
☒ with the following modification factor (Cite the nature and percent modification, supporting data, and the NUMERIC DERIVATION of the modification.):

15.0%

- B. Loss Cost Modifier Expressed as a Factor:

1.150

3. Development of Expected Loss Ratio (Attach exhibit detailing expense data and/or other supporting information.):

	Selected Provisions %
A. Commission and Brokerage Expense (+)	<u>15.8</u>
B. Other Acquisition Expense (+)	<u>5.5</u>
C. General Expense (+)	<u>12.5</u>
D. Taxes, Licenses, and Fees (+)	<u>4.8</u>
E. Underwriting Profit and Contingencies (+)	<u>4.7</u>
F. Investment Income Offset (-)	<u>0.7</u>
G. Other (explain) (+) Cost of Reinsurance	<u>3.0</u>
H. TOTAL	<u>45.6</u>

4. Expected Loss Ratio (ELR):

- A. ELR (100% - 3H) =

54.4

- B. ELR in decimal form =

0.544

5. Company Calculated Loss Cost Multiplier (2B / 4B):

2.114

6. Company Selected Loss Cost Multiplier:

2.114

(If different than 5 above, then attach supporting documentation, rationale, and the numeric derivation of the Selected Loss Cost Multiplier):

7. Rate Level Change for the Coverage to Which this Form Applies:

- A. Change in Loss Cost Expressed as a Factor =

0.065

- B. Change in Multiplier Expressed as a Factor =

0.039

- C. Overall Rate Change [(7A x 7B) - 1] x 100 =

10.7%